BEFORE THE POSTAL REGULATORY COMMISSION WASHINGTON, D.C. 20268-0001

COMPETITIVE PRODUCT PRICES
GLOBAL EXPEDITED PACKAGE SERVICES CONTRACTS
NON-PUBLISHED RATES 14 (MC2018-186)

Docket No. CP2018-260

RESPONSE OF THE UNITED STATES POSTAL SERVICE TO CHAIRMAN'S INFORMATION REQUEST NO. 1

(June 5, 2020)

The United States Postal Service hereby provides its response to Chairman's Information Request No. 1, issued on May 29, 2020.¹ A response was due no later than June 5, 2020. Questions 1 and 3 are stated verbatim and followed by the response. The Postal Service is filing its response to Question 2 under seal and relies upon the Application for Non-Public Treatment that the Postal Service filed in this docket on June 22, 2018.²

¹ Chairman's Information Request No. 1, Docket No. CP2018-260, May 29, 2020.

² Request of the United States Postal Service to Add Global Expedited Package Services - Non-Published Rates 14 (GEPS – NPR 14) to the Competitive Products List and Notice of Filing GEPS – NPR 14 Model Contract and Application for Non-Public Treatment of Materials Filed Under Seal, Docket Nos. MC2018-186 and CP2018-260, June 22, 2018, at Attachment 1.

Respectfully submitted,

UNITED STATES POSTAL SERVICE By its attorneys:

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RESPONSE OF THE UNITED STATES POSTAL SERVICE TO CHAIRMAN'S INFORMATION REQUEST NO. 1

1. Please confirm that, as of July 1, 2020, the costs of providing contract services for GEPS—Non-Published Rates (NPR) 14 agreements will differ from the costs projected in the Postal Service's cost models for this docket as a result of the change to self-declared rates and the Postal Service's filings in Docket No. CP2020-141. If confirmed, please provide an estimate of the expected change in costs of providing contract services for GEPS—NPR 14 agreements. If not confirmed, please explain.

RESPONSE:

Confirmed. See also response to Question 2.

RESPONSE OF THE UNITED STATES POSTAL SERVICE TO CHAIRMAN'S INFORMATION REQUEST NO. 1

2. Please confirm that the Postal Service will activate the "Postage Update" provision in article 15 of the GEPS—NPR 14 agreements in the event that costs rise more than the specified amount. If confirmed, please specify the Postal Service's expected timeline for sending the required notices to the contract partners.

RESPONSE:

See response filed under seal.

RESPONSE OF THE UNITED STATES POSTAL SERVICE TO CHAIRMAN'S INFORMATION REQUEST NO. 1

3. Please confirm that the Postal Service intends to discontinue filing new GEPS—NPR 14 agreements. If not confirmed, please confirm that the Postal Service intends to file a modification to update the cost model prior to filing new GEPS—NPR 14 agreements.

RESPONSE:

Confirmed.